## Congress of the United States

## House of Representatives

COMMITTEE ON OVERSIGHT AND ACCOUNTABILITY
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WASHINGTON, DC 20515-6143

MAJORITY (202) 225–5074 MINORITY (202) 225–5051 https://oversight.house.gov

April 5, 2023

The Honorable Chiquita Brooks-LaSure Administrator Centers for Medicare and Medicaid Services 7500 Security Blvd. Baltimore, MD 21244

Dear Administrator Brooks-LaSure:

The Committee on Oversight and Accountability is conducting oversight of the cessation of Medicaid continuous eligibility on March 31, 2023. Since President Johnson created Medicaid in 1965 to help low-income and disabled Americans, it has grown to account for approximately \$800 billion in annual federal and state expenditures and covers more than one quarter of Americans. Medicaid consistently has a high rate of improper payments; most recently, in FY 2022, Medicaid improper payments totaled \$80.57 billion, a significant increase over \$57.36 billion in improper payments made in FY 2019. We request documents and information related to Centers for Medicare and Medicaid Services (CMS) efforts to ensure that states will accurately and efficiently complete Medicaid redeterminations to reduce improper payments.

In passing the Families First Coronavirus Response Act in March 2020, Congress implemented a 6.2 percentage point increase in the federal medical assistance percentage (FMAP) for the duration of the public health emergency (PHE).<sup>3</sup> To receive the increased FMAP, states could not implement more restrictive eligibility standards for Medicaid or increase Medicaid premiums more than what was in place on January 1, 2020. Further, states had to provide "continuous eligibility for enrollees through the end of the month of the emergency period unless an individual asks to be disenrolled or ceases to be a state resident." Because of this continuous eligibility provision, Medicaid enrollment grew by 20 million Americans between February 2020 and October 2022.<sup>5</sup>

<sup>&</sup>lt;sup>1</sup> Gary Alexander, Medicaid Reform Should Top House Republican Agenda, THE NAT'L. REVIEW (Jan. 12, 2023).

<sup>&</sup>lt;sup>2</sup> Press Release, Ctrs. for Medicare and Medicaid Serv., Federally-facilitated Exchange Improper Payment Rate Less than 1% in Initial Data Release (Nov. 15, 2022); Fact Sheet, Ctrs. for Medicare and Medicaid Serv., 2020 Estimated Improper Payment Rates for Centers for Medicare and Medicaid Services (CMS Programs) (Nov. 16, 2020).

<sup>&</sup>lt;sup>3</sup> Jennifer Tolbert and Meghana Ammula, 10 Things to Know About the Unwinding of the Medicaid Continuous Enrollment Provision, KFF (Feb. 22, 2023).

<sup>&</sup>lt;sup>4</sup> Families First Coronavirus Response Act, Pub. L. No. 116-127, §6008, 134 Stat. 208 (2020).

<sup>&</sup>lt;sup>5</sup> Jennifer Tolbert and Meghana Ammula, 10 Things to Know About the Unwinding of the Medicaid Continuous Enrollment Provision, KFF (Feb. 22, 2023).

As part of the Consolidated Appropriations Act, 2023, Congress separated the continuous eligibility requirement from the PHE and set an end of March 31, 2023, for the continuous eligibility provision. As of April 1, 2023, states are allowed to resume reviewing Medicaid enrollees' eligibility and end coverage for those who are no longer eligible, a process known as Medicaid redetermination. Because states paused most Medicaid terminations and eligibility redeterminations in 2020, state Medicaid agencies will have to undertake a massive review of the eligibility of approximately 91.3 million Americans currently enrolled in the program. Many states will undertake this review while facing labor shortages, which may contribute to delays in redeterminations and risk continued improper payments.

The U.S. Department of Health and Human Services (HHS) estimated last August that after the continuous eligibility provision expires, approximately 8.2 million Medicaid enrollees will no longer be eligible for Medicaid, due to having a new job or increased income. These 8.2 million improper enrollees will be disenrolled in accordance with the expiration of the continuous eligibility provision. HHS also estimated that an additional 6.8 million Medicaid enrollees will lose coverage despite remaining eligible. These statistics are significant because 80 percent of Medicaid improper payments are due to eligibility errors. It is imperative that CMS and state Medicaid agencies take steps to complete Medicaid redeterminations quickly and accurately to reduce improper payments.

To assist the Committee in its oversight, please provide the following documents and information no later than April 19, 2023:

- 1. All documents and guidelines issued by CMS to state agencies regarding the cessation of the Medicaid continuous eligibility provision;
- 2. All documents and guidelines issued by CMS to Medicaid managed care organizations regarding the cessation of the Medicaid continuous eligibility provision;
- 3. All documents and communications related to ensuring that individuals eligible to remain on Medicaid will not lose coverage;

<sup>&</sup>lt;sup>6</sup> Farah Erzouki, *States Must Act to Preserve Medicaid Coverage as End of Continuous Coverage Requirement Nears*, CENTER ON BUDGET AND POLICY PRIORITIES (revised Feb. 6, 2023).

<sup>&</sup>lt;sup>7</sup> Id. *See also* Glossary, Medicaid Redetermination, Healthinsurance.org, available at https://www.healthinsurance.org/glossary/medicaid-redetermination/.

<sup>&</sup>lt;sup>8</sup> Farah Erzouki, *States Must Act to Preserve Medicaid Coverage as End of Continuous Coverage Requirement Nears*, CENTER ON BUDGET AND POLICY PRIORITIES (revised Feb. 6, 2023). *See also* Jennifer Tolbert and Meghana Ammula, 10 Things to Know About the Unwinding of the Medicaid Continuous Enrollment Provision, KFF (Feb. 22, 2023); Robert King, 'It's finally here': States have long sought Medicaid eligibility redetermination deadline, FIERCE HEALTHCARE (Dec. 22, 2022).

<sup>&</sup>lt;sup>9</sup> Supra n. 1

<sup>&</sup>lt;sup>10</sup> Issue Brief, Dep't. of Health and Human Serv., Unwinding the Medicaid Continuous Enrollment Provision: Projected Enrollment Effects and Policy Approaches (Aug. 19, 2022).

<sup>&</sup>lt;sup>11</sup> *Id*.

 $<sup>^{12}</sup>$  Id

<sup>&</sup>lt;sup>13</sup> Hayden Dublois and Jonathan Ingram, Ineligible Medicaid Enrollees Are Costing Taxpayers Billons, Foundation for Government Accountability (Jan. 23, 2022), available at https://thefga.org/paper/ineligible-medicaid-enrolleescosting-taxpayers-billions/.

- 4. A list of actions, disaggregated by state, taken by CMS to date to ensure the Medicaid program only enrolls those who meet eligibility requirements;
- 5. The estimated improper payment rate due to the Medicaid continuous eligibility provision; and
- 6. All documents and communications between any employee at CMS with any state regarding eligibility related improper payments.

Attached are instructions for producing the documents and information to the Committee. If you have any questions, please contact the Committee on Oversight and Accountability Majority staff at (202) 225-5074.

The Committee on Oversight and Accountability is the principal oversight committee of the U.S. House of Representatives and has broad authority to investigate "any matter" at "any time" under House Rule X. Thank you for your attention to this important issue.

Sincerely,

James Comer

Chairman

Committee on Oversight and Accountability

Glenn Grothman

Chairman

Subcommittee on National Security, the Border, and Foreign Affairs

Pete Sessions

Chairman

Subcommittee on Government Operations and the Federal Workforce

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Government Innovation

Lisa McClain

Chairwoman

Subcommittee on Health Care and

**Financial Services** 

Paul A. Gosar D.D.S.

Member of Congress

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Tim Burchett Member of Congress

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cc: The Honorable Jamie Raskin, Ranking Member Committee on Oversight and Accountability

> The Honorable Robert Garcia, Ranking Member Subcommittee on National Security, the Border, and Foreign Affairs

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> The Honorable Kweisi Mfume, Ranking Member Subcommittee on Government Operations and the Federal Workforce

The Honorable Gerald Connolly, Ranking Member Subcommittee on Cybersecurity, Information Technology, and Government Innovation

The Honorable Katie Porter, Ranking Member Subcommittee on Health Care and Financial Services